

UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO

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In re:

PROMESA

Title III

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

Case No. 17 BK 3283-LTS

THE COMMONWEALTH OF PUERTO RICO, *et al.*

(Jointly Administered)

Debtors.¹

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In re:

PROMESA

Title III

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

Case No. 17 BK 4780-LTS

PUERTO RICO ELECTRIC POWER AUTHORITY,

Re: ECF No. 225

Debtor.

This Notice relates only to PREPA and HTA, and shall be filed in the lead Case No. 17 BK 3283-LTS, PREPA's Title III Case (Case No. 17 BK 4780-LTS) and HTA's Title III Case (Case No. 17 BK 3567-LTS)

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¹ The Debtors in the jointly-administered Title III cases, along with each Debtor's respective Title III case number listed as a bankruptcy case number due to software limitations and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (iv) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); and (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

PUERTO RICO HIGHWAYS AND
TRANSPORTATION AUTHORITY,

Debtor.

PROMESA
Title III

Case No. 17 BK 3567-LTS

Re: ECF No. 282

This Notice relates only to PREPA and HTA, and shall be filed in the lead Case No. 17 BK 3283-LTS, PREPA's Title III Case (Case No. 17 BK 4780-LTS) and HTA's Title III Case (Case No. 17 BK 3567-LTS)

**NOTICE OF PRESENTMENT OF
ORDER EXTENDING DATE TO FILE CREDITOR LISTS**

PLEASE TAKE NOTICE that in accordance with the *Second Amended Notice, Case Management and Administrative Procedures* (the “Case Management Procedures”) [Case No. 17 BK 3283-LTS, ECF No. 1065-1] and upon the *Urgent Motion of the Puerto Rico Electric Power Authority and the Puerto Rico Highways and Transportation Authority for Entry of Order Extending Date to File Creditor Lists* (the “Motion”), attached hereto as **Exhibit A**, the Puerto Rico Electric Power Authority (“PREPA”) and the Puerto Rico Highways and Transportation Authority (“HTA”), by and through the Financial Oversight and Management Board for Puerto Rico, as PREPA’s and HTA’s representative pursuant to section 315(b) of the *Puerto Rico Oversight, Management, and Economic Stability Act* (“PROMESA”),² will present the proposed order attached to the Motion as **Exhibit 1** (the “Proposed Order”), to the Honorable Laura Taylor Swain, United States District Judge, sitting in the United States District Court for the District of

² PROMESA has been codified in 48 U.S.C. §§ 2101-2241.

Puerto Rico, 150 Carlos Chardón Street, Federal Building, Office 150, San Juan, P.R. 00918-1767 for signature on **October 26, 2017**.

PLEASE TAKE FURTHER NOTICE that unless a written objection to the Proposed Order is filed with the Court in accordance with the Case Management Procedures **by 5:00 p.m. (Atlantic Standard Time) on October 25, 2017**, no hearing will be held and the Proposed Order may be approved by this Court.

PLEASE TAKE FURTHER NOTICE that copies of the Motion, Proposed Order, and all documents filed in the Title III cases are available (a) free of charge by visiting <https://cases.primeclerk.com/puertorico> or by calling +1 (844) 822-9231, and (b) on the Court's website at <http://www.prd.uscourts.gov>, subject to the procedures and fees set forth therein.

Dated: October 19, 2017
San Juan, Puerto Rico

Respectfully submitted,

/s/ Martin J. Bienenstock

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Co-Attorneys for the Financial Oversight and Management Board as representative for the Debtors

Exhibit A

Motion

Presentment Date: October 26, 2017

Objection Deadline: October 25, 2017 at 5:00 p.m. (AST)

UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO

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In re:

PROMESA

Title III

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

Case No. 17 BK 3283-LTS

THE COMMONWEALTH OF PUERTO RICO, *et al.*

(Jointly Administered)

Debtors.¹

-----X

In re:

PROMESA

Title III

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

Case No. 17 BK 4780-LTS

PUERTO RICO ELECTRIC POWER AUTHORITY,

Re: ECF No. 225

Debtor.

This Notice relates only to PREPA and HTA, and shall be filed in the lead Case No. 17 BK 3283-LTS, PREPA's Title III Case (Case No. 17 BK 4780-LTS) and HTA's Title III Case (Case No. 17 BK 3567-LTS)

-----X

¹ The Debtors in the jointly-administered Title III cases, along with each Debtor's respective Title III case number listed as a bankruptcy case number due to software limitations and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (iv) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); and (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

PUERTO RICO HIGHWAYS AND
TRANSPORTATION AUTHORITY,

Debtor.

PROMESA
Title III

Case No. 17 BK 3567-LTS

Re: ECF No. 282

This Notice relates only to PREPA and HTA, and shall be filed in the lead Case No. 17 BK 3283-LTS, PREPA's Title III Case (Case No. 17 BK 4780-LTS) and HTA's Title III Case (Case No. 17 BK 3567-LTS)

URGENT MOTION OF THE PUERTO RICO ELECTRIC POWER AUTHORITY AND THE PUERTO RICO HIGHWAYS AND TRANSPORTATION AUTHORITY FOR ENTRY OF ORDER EXTENDING DATE TO FILE CREDITOR LISTS

To the Honorable United States District Court Judge Laura Taylor Swain:

The Puerto Rico Electric Power Authority (“PREPA”) and the Puerto Rico Highways and Transportation Authority (“HTA”), as debtors in the above-captioned title III cases, by and through the Financial Oversight and Management Board for Puerto Rico (the “Oversight Board”), as the debtors’ representative pursuant to section 315(b) of the *Puerto Rico Oversight, Management, and Economic Stability Act* (“PROMESA”),² respectfully submit this urgent motion (the “Motion”), pursuant to sections 105(a) and 924 of title 11 of the United States Code (the “Bankruptcy Code”), made applicable to these cases by PROMESA section 301(a), and Rule 1007 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), made applicable to these cases by PROMESA section 310, for entry of an order, substantially in the form attached hereto as Exhibit 1 (the “Proposed Order”), extending the date by which PREPA and HTA must each file their respective Creditor List (defined herein) to December 22, 2017.

² PROMESA has been codified in 48 U.S.C. §§ 2101-2241.

Jurisdiction, Venue, and Statutory Predicates

1. The United States District Court for the District of Puerto Rico (the “Court”) has subject matter jurisdiction over this matter pursuant to PROMESA section 306(a).
2. Venue is proper pursuant to PROMESA section 307(a).
3. The statutory predicates for the relief sought herein is Bankruptcy Code sections 105(a) and 924, made applicable to these title III cases by PROMESA section 301(a), and Bankruptcy Rule 1007, made applicable to these title III cases by PROMESA section 310.

Relevant Background

A. General Background

4. On June 30, 2016, the Oversight Board was established under PROMESA section 101(b). On August 31, 2016, President Obama appointed the Oversight Board’s seven voting members.
5. Pursuant to PROMESA section 315, “[t]he Oversight Board in a case under this title is the representative of the debtor” and “may take any action necessary on behalf of the debtor to prosecute the case of the debtor, including filing a petition under section 304 of [PROMESA] . . . or otherwise generally submitting filings in relation to the case with the court.”
6. On May 21, 2017, the Oversight Board issued a restructuring certification pursuant to PROMESA sections 104(j) and 206 and filed a voluntary petition for relief for HTA.
7. On June 29, 2017, the Oversight Board issued a restructuring certification for PREPA pursuant to PROMESA sections 104(j) and 206.
8. On July 2, 2017, the Oversight Board filed a voluntary petition for relief for PREPA pursuant to section 304(a) of PROMESA, commencing a case under title III thereof.³

³ On October 6, 2017, the Court entered an order granting the joint administration of PREPA’s Title III case with the Title III cases of the Commonwealth of Puerto Rico (the “Commonwealth”), the Puerto Rico Sales Tax

B. Creditor List Deadlines

9. In connection with the Title III Cases, PREPA and HTA are each required to file a list of creditors pursuant to Bankruptcy Code section 924, which is made applicable in the Title III Cases pursuant to PROMESA section 301(a) (the “Creditor List”).

10. As of the date of this urgent Motion, the Court has set October 31, 2017 as the deadline for PREPA and HTA to each file their respective Creditor List [Case No. 17 BK 4780-LTS, ECF No. 225; Case No. 17 BK 3283-LTS, ECF No. 282].⁴

11. The Orders setting the deadlines are without prejudice to PREPA’s and HTA’s right to file a motion seeking further extensions of time to file their Creditor Lists.

Relief Requested and Basis for Relief

12. By this Motion, PREPA and HTA seek entry of an order, substantially in the form of the Proposed Order, extending the date by which they must file their Creditor Lists by 52 days to December 22, 2017.

13. As this Court is aware, on September 20, 2017, Hurricane Maria—the fifth strongest hurricane ever to hit the United States—made landfall in Puerto Rico as a strong Category 4 storm bringing sustained winds of up to 155 miles per hour and up to 40 inches or more of rain in some regions. *See Hurricane Maria Lashes Puerto Rico, NASA EARTH OBSERVATORY*, <https://earthobservatory.nasa.gov/> (last visited Sept. 26, 2017).

14. Hurricane Maria was the strongest hurricane to hit Puerto Rico since 1932 and arrived only two weeks after Hurricane Irma—a Category 5 storm that became one of the strongest hurricanes ever recorded in the Atlantic—substantially impaired Puerto Rico’s water

Financing Corporation (“COFINA”), the Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”), and HTA (the Title III cases of the Commonwealth, COFINA, ERS, and HTA, the “Title III Cases”).

⁴ HTA previously sought and obtained an extension of its deadline to file the Creditor List to October 31, 2017.

and electricity services. All of the Island's key infrastructure systems have suffered critical damage, and the impact on the electric system has been particularly catastrophic. PREPA believes that approximately 80% of the energy transmission and distribution infrastructure has been damaged.

15. In light of the devastation and resulting strain on PREPA's and HTA's personnel and systems, PREPA, HTA, and their retained professionals will not be able to complete and file the Creditor Lists by October 31, 2017. While PREPA and HTA intend to complete their Creditor Lists as quickly as possible, under the circumstances, PREPA and HTA request an extension of the date by which they must file their Creditor Lists of 52 days to December 22, 2017, without prejudice to PREPA's and HTA's right to seek further extensions.

16. PREPA and HTA believe this extension is in the best interests of PREPA and HTA, and their respective creditors because having comprehensive and accurate Creditor Lists at the outset will facilitate an efficient claims reconciliation process, which is necessary to the fair and expeditious administration of PREPA's and HTA's Title III Cases.

Notice

17. PREPA and HTA have provided notice of this Motion to the following parties: (a) the Office of the United States Trustee for the District of Puerto Rico; (b) the indenture trustees and/or agents, as applicable, for PREPA's and HTA's bonds; (c) counsel to the statutory committees appointed in the Title III Cases; (d) the Office of the United States Attorney for the District of Puerto Rico; (e) counsel to the Puerto Rico Fiscal Agency and Financial Advisory Authority; (f) the Puerto Rico Department of Justice; (g) the Other Interested Parties; and (h) all parties filing a notice of appearance in these Title III Cases. PREPA and HTA submit that, in light of the nature of the relief requested, no other or further notice need be given.

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WHEREFORE PREPA and HTA respectfully request the Court enter the Proposed Order (a) extending the date by which PREPA and HTA must each file their respective Creditor List by 52 days to December 22, 2017; and (b) granting PREPA and HTA such other relief as is just and proper.

Dated: October 19, 2017
San Juan, Puerto Rico

Respectfully submitted,

/s/ Martin J. Bienenstock

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Co-Attorneys for the Financial Oversight and Management Board as representative for the Debtors

Exhibit 1

Proposed Order

UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO

-----X

In re:

PROMESA

Title III

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

Case No. 17 BK 3283-LTS

THE COMMONWEALTH OF PUERTO RICO, *et al.*

(Jointly Administered)

Debtors.¹

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In re:

PROMESA

Title III

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

Case No. 17 BK 4780-LTS

PUERTO RICO ELECTRIC POWER AUTHORITY,

Re: ECF Nos. 225, ____

Debtor.

This Notice relates only to PREPA and HTA, and shall be filed in the lead Case No. 17 BK 3283-LTS, PREPA's Title III Case (Case No. 17 BK 4780-LTS) and HTA's Title III Case (Case No. 17 BK 3567-LTS)

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¹ The Debtors in the jointly-administered Title III cases, along with each Debtor's respective Title III case number listed as a bankruptcy case number due to software limitations and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (iv) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); and (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

PUERTO RICO HIGHWAYS AND
TRANSPORTATION AUTHORITY,

Debtor.

PROMESA
Title III

Case No. 17 BK 3567-LTS

Re: ECF Nos. 282, _____

This Notice relates only to PREPA and HTA, and shall be filed in the lead Case No. 17 BK 3283-LTS, PREPA's Title III Case (Case No. 17 BK 4780-LTS) and HTA's Title III Case (Case No. 17 BK 3567-LTS)

**ORDER EXTENDING DATE FOR THE PUERTO RICO ELECTRIC
POWER AUTHORITY AND THE PUERTO RICO HIGHWAYS
AND TRANSPORTATION AUTHORITY TO FILE THEIR CREDITOR LISTS**

Upon the *Urgent Motion of the Puerto Rico Electric Power Authority and the Puerto Rico Highways and Transportation Authority for Entry of Order Extending Date to File Creditor Lists* (the “Motion”);² and the Court having found it has subject matter jurisdiction over this matter pursuant to PROMESA section 306(a); and it appearing that venue in this district is proper pursuant to PROMESA section 307(a); and the Court having found that the relief requested in the Motion is in the best interests of PREPA, HTA, their creditors, and other parties in interest; and the Court having found that PREPA and HTA provided adequate and appropriate notice of the Motion under the circumstances and that no other or further notice is required; and the Court having reviewed the Motion; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and any objections to the relief requested herein having been withdrawn or overruled on the merits; and

² Capitalized terms not otherwise defined herein shall have the meanings given to them in the Motion.

upon the record herein, after due deliberation thereon, the Court having found that good and sufficient cause exists for the granting of the relief set forth herein,

THEREFORE, IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED as set forth herein.
2. On or before December 22, 2017, PREPA and HTA shall each file their respective list of creditors with claim amounts pursuant to Bankruptcy Code section 924 (the "Creditor Lists"), made applicable to the Title III Cases by PROMESA section 301(a).
3. Upon the filing of the Creditor Lists, PREPA and HTA shall be deemed to have satisfied all requirements under Bankruptcy Code section 924.
4. The relief granted herein is without prejudice to PREPA's and/or HTA's right to seek further extensions of time to file the Creditor Lists, to file a motion to modify the contents of the Creditor Lists, or to amend the Creditor Lists during the Title III Cases.
5. Notwithstanding the applicability of any Bankruptcy Rule, the terms and conditions of this order shall be immediately effective and enforceable upon its entry.
6. PREPA and HTA, and the Oversight Board, as PREPA's and HTA's representative, are authorized to take all actions, and to execute all documents, necessary or appropriate, to effectuate the relief granted in this order in accordance with the Motion.
7. This Court shall retain exclusive jurisdiction to hear and determine any and all disputes related to or arising from the implementation, interpretation, and enforcement of this order.

Dated: October _____, 2017

HONORABLE LAURA TAYLOR SWAIN
UNITED STATES DISTRICT JUDGE